

# Church Debt and Borrowing Policy

## *Updated March 1, 2022*

This paper sets forth Village Church of Barrington's policy on church debt and borrowing. It is about our approach to debt *as a congregation*, not as individual households. Nevertheless, the Scriptures cited below apply equally to household finance, and individuals would do well to heed them. The paper first lays out the relevant Scriptures and then establishes general guidelines for our practice as a church.

### I

#### *Overview of Relevant Scriptures*

Though Scripture does not specifically prohibit borrowing money for ministry, it warns against frivolous, frequent, or careless borrowing. We see this particularly in the wisdom literature. God's Word also warns that those who borrow may encounter difficulty and restrictions. They may find their freedom restrained by limitations placed on them by the lender. As Proverbs 22:7 says, *'The rich rules over the poor, and the borrower is the slave of the lender.'*

Following are some of the most important scriptural principles regarding money and debt.

1. Put God first. Jesus says, *'No one can serve two masters, for either he will hate the one and love the other, or he will be devoted to the one and despise the other. You cannot serve God and money. . . . But seek first the kingdom of God and his righteousness, and all these things will be added to you'* (Matt 6:24, 33). God should be our top priority rather than the acquisition of wealth.
2. Know that God provides for his people. In addition to the previous Scripture, we could cite Phil 4:19, *'And my God will supply every need of yours according to his riches in glory in Christ Jesus'* (cp. Psa 34:10; Luke 12:24). We can be confident that God sees our needs and will meet them.
3. Be content. Heb 13:5 says: *'Keep your life free from the love of money, and be content with what you have, for he has said, "I will never leave you nor forsake you."'* We can be satisfied with what God has provided.
4. Do not be hasty to acquire wealth. Prov 13:11 says, *'Wealth gained hastily will dwindle, but whoever gathers little by little will increase it'* (cp. Prov 21:5). Get-rich schemes rarely work. It is better to save faithfully over a long period of time.
5. Guard your heart against loving money. 1 Tim 6:9-10 says, *'But those who desire to be rich fall into temptation, into a snare, into many senseless and harmful desires that plunge people into ruin and destruction. For the love of money is a root of all kinds of evils. It is through this craving that some have wandered away from the faith and*

*pierced themselves with many pangs.* Money can become an idol that lures our heart away from God.

6. Be faithful in managing money. Jesus says, ‘*One who is faithful in a very little is also faithful in much, and one who is dishonest in a very little is also dishonest in much. If then you have not been faithful in the unrighteous wealth, who will entrust to you the true riches? And if you have not been faithful in that which is another’s, who will give you that which is your own?*’ (Luke 16:10-12). All of our possessions actually belong to God. We are to be good stewards of what he has entrusted to us.
7. Debt is generally viewed negatively by Scripture. Rom 13:8 says, ‘*Owe no one anything, except to love each other.*’ Scripture views lending as a blessing and borrowing as a curse (Deut 28:12; cp. 15:6; 28:43-44).
8. When we do borrow, it is important to repay what we owe. Psa 37:21 says, ‘*The wicked borrows but does not pay back, but the righteous is generous and gives*’ (cp. Prov 22:26-27; Ecc 5:5; Rom 13:7; Luke 14:28). If you do enter into debt, count the cost and plan wisely for repayment.

Other Scriptures could be cited. Indeed, the Bible has over two thousand verses on money and possessions! But those listed above are the most fundamental for the purpose of this paper.

## II

### *Our Practice at the Village Church of Barrington*

Therefore, consistent with God’s word and our desire to allow him to gain glory and honor for what he accomplishes in our midst, we will follow the following principles:

- Believing that God provides for what he has called us to do, the Village Church of Barrington will not enter into projects without having funds in hand or pledges from the congregation that cover all or a large portion of the expected project cost. Lack of funds may be an indication that the project is not God’s will and not fully supported by the congregation, and debt should not be used to fill that gap.
- VCB will not borrow money for the regular operation of the church. Also, maintenance of the building should be provided for by putting aside funds in the annual budget to cover such costs, and not relying on capital projects to address routine maintenance needs.
- VCB may consider borrowing to cover short-term needs, where the project is covered by giving, but the timing of funds does not align with construction needs (e.g., a bridge loan).
- VCB may consider borrowing for capital purchases or construction, to be used directly for ministry on a case-by-case basis. We believe that as we seek God’s will and

provision for the need and offer the congregation the opportunity to give abundantly and joyously, we will not need to borrow. However, a loan may be considered if: (1) the bulk of the project cost is covered by pledges of the congregation; (2) the payment schedule for the loan can be reasonably covered by the operating budget of the church; and (3) the loan repayment and terms will not have a significant, detrimental impact on ministry. Alternatively, a loan could be considered if the asset that is pledged to support the loan could be sold at any time to pay off the loan without harm to ministry.

It should be noted that the VCB Constitution requires that the congregation must approve by three-fourths vote “the sale or purchase of property, building new buildings, or new projects in excess of 10% of the budget” (Section 12.7.a). That effectively requires congregational approval of debt in connection with these projects.

### III *Conclusion*

Decisions about giving and borrowing involve more than just business choices for the Village Church. They allow us to exercise our faith that God will provide for his work. We understand that God’s promise to supply ministry needs requires us to trust him to provide in his time and in his way. God is honored, and believers are strengthened, when we give sacrificially to the work of our local church fellowship.